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UNCLAS SECTION 01 OF 02 BANGKOK 003471

SIPDIS

SENSITIVE

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E.O. 12958: N/A TAGS: <u>PGOV</u> <u>TH</u> <u>TRT</u>

SUBJECT: THAILAND: TRT FACTIONAL TENSIONS FLARE OVER

AUDITOR-GENERAL CONTROVERSY

REF: (A) BANGKOK 3381 (B) BANGKOK 2347

(SBU) Summary: Opposition to Thai Senate efforts to replace popular Auditor-General Charuvan -- up to now led by the Democrat Party (DP) -- has been taken up by one of the ruling Thai Rak Thai (TRT) party's key factions. Powerful TRT faction leader Sanoh Thienthong has drawn Prime Minister Thaksin's ire by spearheading a petition by some 60 TRT MPs to the Senate against submitting to the King the nomination of former Finance Ministry Deputy Permanent Secretary Wisut Montriwat as Charuvan's replacement. Prime Minister Thaksin, whose administration may be vulnerable to Charuvan's drive to root out government malfeasance, has reportedly retorted that MPs should not meddle in actions by the Senate. The bold move by Sanoh in an atmosphere of heightened attention to allegations of bribe-taking by politicians in the awarding of new airport construction contracts cracks the facade of unity that the TRT had hoped to present to its critics in academia, the press, political opposition and the general public. End Summary.

MOVE TO REPLACE CRUSADING AUDITOR-GENERAL SPARKS CRITICISM

As noted in ref. A, a decision in 2003 by the Constitutional Court that Khunying Charuvan Methanaka's appointment as Auditor-General was unconstitutional led the Senate on May 12 to name a successor, former Finance Ministry Deputy Permanent Secretary Wisut Montriwat. This decision sparked accusations -- largely from opposition DP officials -- that the Thaksin administration influenced the nominally non-political Senate to get rid of a troublesomely efficient corruption investigator. Critics of efforts to replace Charuvan say that the upper body has no constitutional grounds on which to remove her and appoint a new successor. Wisut's supporters disagree.

THAI RAK THAI FACTION LEADER GETS INVOLVED IN CASE

- 13. (U) On May 26, reportedly up to 60 TRT MPs (of 377 total TRT congresspersons in the 500 seat lower house of Parliament), headed by disgruntled TRT Wang Nam Yen faction leader Sanoh Thienthong, appealed for Senate Speaker Suchon Chaleekrua not to submit Wisut's name to the King as replacement for Charuvan. In their letter to the Deputy Speaker's office, the MPs reasoned that the Constitutional Court,s ruling, which declared the unconstitutionality of the Senate's earlier selection of Charuwan as the Auditor-General, did not stipulate that she be removed from the office. Therefore, they argued, the royal appointment of Charuvan as the Auditor-General was still in effect, and that presenting Wisut to the King as new Auditor-General would be both unconstitutional and disrespectful to the King by involving him in the controversy.
- 14. (U) Thaksin has reportedly scathingly rebuked some of the MPs, telling a group on May 26 that the Senate's actions are not the business of the lower house and that they have to follow the rules. Thaksin has had tense relations with Sanoh Thienthong from the period of his first administration (2001-5), when Sanoh regularly complained that he and his faction were being eclipsed by a rival faction headed by Thaksin's sister Yaowapha Wongsawasdi and not receiving sufficient senior appointments in the Thaksin government.
 The complaints of ill-treatment became louder following onset of Thaksin's second term earlier this year and selection of Thaksin's new cabinet.

POLITICS IN THE BACKGROUND

(U) Sanoh has not attempted to conceal his unhappiness over what he considers the slighting treatment that he and his faction members and allies have received from Thaksin in the awarding of offices following February's election (ref. B). Sanoh's Wang Nam Yen, and allied Wang Nam Yom and the Suchart factions, feel that they were
"awarded" a relatively small number of cabinet posts compared
to Yaowapha Wongsawasdi's Wang Buam Ban faction and the
Bangkok faction headed by Agriculture Minister Sudarat
Keyuraphun. Sanoh's public show of support for Charuvan, a bureaucrat considered potentially embarrassing to Thaksin's government, strongly reflects factional fissures and

jockeying for position and leverage within TRT.

POTENTIAL PROBLEM FOR THAKSIN

16. (SBU) Comment. No one is predicting the collapse of Thaksin's coalition. However, the bold move by Sanoh amidst the furor over the allegations of bribe-taking by politicians in the awarding of new airport construction contracts damages any show of unity the TRT hoped to present to its critics in academia, the press, its political opposition and the general public. Sanoh is hardly the ideal champion for anti-corruption. He has never enjoyed an untainted reputation and his public support for Charuvan, and by extension her campaign to uncover government malfeasance, is a clear shot by Sanoh across Thaksin's bows for his own political reasons. It is a strong signal to the Prime Minister that Sanoh and his allies can cause trouble if they do not receive more generous treatment in the next Thaksin cabinet.

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